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Pre-Bid Conference Summary

The following is a summary of items discussed at the Pre-Bid Conference held on Thursday, July 19, 2018.

This summary is intended to be a general record of the meeting and *does not* constitute an amendment to the Invitation for Bids (IFB).

- **Introduction:** The meeting opened at 11:05 a.m. Abdullah Unseri from the Maryland Department of Housing and Community Development (DHCD) presided. Five (5) representatives from four (4) unique vendors attended.

- **Overview:** Mr. Unseri went over key information of the solicitation:

Solicitation Number: S00R8400003
Title: Commercial Appraisal Services
Issue Date: July 2, 2018
Due Date: August 2, 2018 at 2:00 p.m.
Question Deadline: July 25, 2018 at 12:00 p.m.
SBR Designation: Yes

- **Page 11, Section 1.24 - Mandatory Contractual Terms:** Mr. Unseri called attention to this section of the RFP and stated that the State's mandatory terms and conditions are in the Code of Maryland Regulations (COMAR) and that taking exception to them may result in a proposal being rejected.

- By submitting a Bid in response to this IFB, a Bidder, if selected for award, shall be deemed to have accepted the terms and conditions of this IFB and the Contract, attached herein as Attachment A. Any exceptions to this IFB or the Contract must be raised prior to Bid submission. Changes to the solicitation, including the Bid Form or Contract, made by the Bidder may result in Bid rejection

- **Page 18, Section 2 - Minimum Qualifications:** Mr. Unseri explained that a factor that can automatically render a bid not reasonably susceptible of being awarded a contract is not providing documentation of minimum qualifications.

- The Bidder must provide proof with its Bid that the following Minimum Qualifications have been met:

- A. The Bidder shall have at least 3 years' experience providing appraisal services for commercial or mixed use properties. As proof of meeting this requirement, the Bidder shall provide with its Bid one or more references that collectively attest that the Bidder has met this requirement. For each reference, Bidder must provide:

- 2.1.1 Client name, and email address for which appraisal was performed.
- 2.1.2 Type of appraisal performed
- 2.1.3 Address of appraisal site
- 2.1.4 Date of appraisal.

- **Pages 19 & 20, Section 3 – Contractor Requirements: Scope of Work:** Mr. Unseri introduced Aisha Taylor and Colleen Cord-Malone to speak in regards to the Scope of Work.

3.2 Scope of Work - Requirements

3.2.1 The Contractor must provide appraisal reports based upon the requirements and guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP).

3.2.2 The Bidder shall have a Certified General Real Estate Appraiser license issued by Maryland Department of Labor, Licensing and Regulation (DLLR). If the Bidder is a firm, any appraisers employed by the firm to be assigned work under the Contract shall possess such a license.

Proof of licensure shall be provided in writing with the following information:

3.2.2.1 Full name of each Appraiser to be assigned work under the Contract.

3.2.2.2 License number and expiration date for each identified appraiser

3.2.3 The Contractor will provide appraisal reports for commercial or mixed use properties to the Department within thirty (30) days from date of request from the Department. In preparing the reports, the Contractor must:

3.2.3.1 Prepare and submit to the DHCD Contract Manager a complete, self-contained appraisal report for each commercial and/or residential property which indicates the fair market value of the property and complies with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation. HCD will review the narrative appraisal report for acceptability. If DHCD determines the appraisal report is unacceptable, the Contractor shall address DHCD's concerns within fifteen (15) calendar days of notification by the DHCD Contract Manager of the deficiency to be addressed.

3.2.3.2 Employ the three (3) traditional approaches to value: the sales comparison approach, the income approach, and the cost approach. If, due to the age or condition of the property, it is difficult to estimate the amount of accrued depreciation affecting the subject property's improvements, DHCD may waive the requirement to employ the cost approach. In addition, DHCD may ask the appraiser to develop an "as financed" estimate of value for the property. This "as financed" value estimate must recognize the impact of below-market interest rates, rent or income restrictions, rent subsidiaries, and low income or historic tax credits on a property's value.

3.2.3.3 Include in the appraisal report an “as is” valuation of the subject’s land.

3.2.3.4 Make available with the appraisal the following:

- Photos of the subject property’s front, rear, and street scene;
- Photos of comparable properties;
- A floor plan;
- A map showing the location of the subject and all comparables;
- A flood map, if the subject property lies within a 100-year flood zone; and
- A statement of limiting conditions.

3.2.3.5 Include in the appraisal report an analysis of the highest and best use of the land as if vacant and of the property as improved.

3.2.3.6 If required by DHCD, develop a discounted cash flow (DCF) analysis as part of the income approach and ensure that market information is cited to support all capitalization rates and discount rates employed in the DCF analysis.

3.2.3.7 Provide a thorough market analysis to support the estimates of income, expenses, and vacancy rates used in the income approach.

3.2.3.8 If requested by DHCD, provide additional analysis that is reasonably and customarily required to satisfy the requirements of other lenders providing financing for the subject property. If extra charges are required for this additional analysis, the Contractor will bill the developer directly.

3.2.3.9 Certify the appraisal accuracy and compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) by signing the completed appraisal report prior to delivery to DHCD.

3.2.3.10 Submit three (3) originals of the signed appraisal report the DHCD Contract Monitor within thirty (30) to sixty (60) days of assignment as directed by the DHCD Contract Monitor at the time of assignment. Also, submit a copy of signed appraisal report electronically/digitally or on a CD or flash drive.

3.2.3.11 Ensure that the Principal Appraiser or designee is available for consultation and attendance at meetings with DHCH staff not to exceed six (6) meetings per year, as necessary and attends such consultations and meetings. The meetings must take place within 5 days of notifying the Principal Appraiser.

3.2.3.12 Provide, at the Contractor’s expense, all equipment, supplies, tools, and transportation needed to prepare the written appraisal reports.

3.2.3.13 Coordinate with and notify the Contract Monitor and/or development team member reporting to the owner of the property, of any questions that may arise during the preparation of the report needing answers or clarification.

3.2.3.13.1 Provide the questions and clarifications in writing.

3.2.3.13.2 Include a copy of the questions and clarifications with the appraisal report upon submission to the DHCD Contract Monitor.

- **Page 24, Section 4 – Bid Format:** Mr. Unseri pointed out that it is important to read and following the instructions as per Section 4 of the IFB.
- **Previous Contract:** DHCD-18-08 - Commercial Appraisal Services
 - Award:** Treffer Appraisal Group
 - Term:** 02/12/2017 – 08/11/2018
 - Amount:** \$15,000.00 NTE
- **Anticipated New Contract Start Date:** October 1, 2018.
- **Vendor Questions and Comments:** Questions were asked and addressed and will be posted via a separate document. Questions may be submitted up to 12:00 p.m. on Wednesday, July 25, 2018.
- **Adjournment:** The meeting closed at 10:20 a.m. All vendor attendees signed in.